

**GOVERNMENT OF INDIA
MINISTRY OF COOPERATION**

**LOK SABHA
UNSTARRED QUESTION NO. 2669
TO BE ANSWERED ON 19/12/2023**

Pilot Project for Storage Capacity

†2669. **Shri Raju Bista:**

Will the Minister of COOPERATION (सहकारिता मंत्री) be pleased to state:

- (a) whether any pilot project is being implemented by the Government to increase the storage capacity across the country and if so, details thereof;
- (b) the names of the implementing agency/agencies of the said pilot projects;
- (c) the present status of the said project; and
- (d) the benefits likely to be provided to the farmers by the said project?

ANSWER

**THE MINISTER OF COOPERATION
सहकारिता मंत्री (SHRI AMIT SHAH)**

(a) to (d): Yes Sir, the Government on 31.05.2023, has approved the “World’s Largest Grain Storage Plan in Cooperative Sector”, which is being rolled out as a Pilot Project. The Plan entails creation of various agri infrastructure at PACS level, including warehouses, custom hiring center, processing units, Fair Price Shops, etc. through convergence of various existing schemes of the Government of India (GoI), such as, Agriculture Infrastructure Fund (AIF), Agricultural Marketing Infrastructure Scheme (AMI), Sub Mission on Agricultural Mechanization (SMAM) Pradhan Mantri Formalization of Micro Food Processing Enterprises Scheme (PMFME) etc. The Pilot project is being implemented by National Cooperative Development Corporation (NCDC) with the support of NABARD, Food Corporation of India (FCI), Central Warehousing Corporation (CWC), NABARD Consultancy Services (NABCONS), National Buildings Construction Corporation (NBCC), etc. in different States/ UTs.

States/ UTs and National level Cooperative Federations, like National Cooperative Consumers Federation (NCCF) and National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED), have identified 1,711 PACS for creation of storage capacity under the Pilot Project. Presently, construction of godowns is going on in 13 PACS of 13 States/ UTs under the Pilot Project.

Further, an MoU has been signed between Ministry of Cooperation (GoI), Department of Food and Public Distribution (GoI), Food Corporation of India (FCI) and National Cooperative Development Corporation (NCDC) to ensure full capacity utilization of the

storage capacity being created at PACS level under the Project. This will facilitate hiring of godowns constructed at PACS level by FCI, integration of these godowns with the supply chain of foodgrains, thereby providing requisite logistical support to PACS.

Establishing decentralized storage capacity at PACS level will provide various benefits to the farmers, including the following:

- i. Farmers will be able to store their produce in the godown constructed at PACS and avail bridge finance for the next cycle of crop and sell the produce at a time of their choice, or sell their whole crop to the PACS at Minimum Support Price (MSP), which would enable them to avoid distress sale of crops.
- ii. They will be able to get various agri inputs and services at the Panchayat/ village level itself.
- iii. Through diversification of business, farmers will be able to get additional sources of income.
- iv. Through integration with the food supply management chain, farmers will be able to expand their market size and realize better value for their produce.
- v. Creation of adequate food grain storage capacity at PACS level will help in reduction of post-harvest loss, thus enabling farmers to earn better prices.

In addition to the above, this Plan would help in ensuring food security at Panchayat/ village level across the country.
